



ASEAN Business Advisory Council



**November 13 AEM Signing of the
MEMORANDUM OF UNDERSTANDING ON THE
IMPLEMENTATION OF NON-TARIFF MEASURES ON
ESSENTIAL GOODS UNDER THE HANOI PLAN OF
ACTION ON STRENGTHENING ASEAN ECONOMIC
COOPERATION AND SUPPLY CHAIN CONNECTIVITY IN
RESPONSE TO THE COVID-19 PANDEMIC**

**(16 November 2020, Jakarta)
(Media Release)**

ASEAN BAC and Joint Business Council partners applaud ASEAN in Big Push to Ensure Uninterrupted Supply Chain Connectivity of Essential Goods During the Pandemic

The ASEAN Business Advisory Council (ASEAN-BAC), together with its Joint Business Councils (JBC) partners and sector champions, congratulate the ASEAN Economic Ministers on the signing of the Memorandum of Understanding (MOU) on the Implementation of Non-Tariff Measures (NTMs) on Essential Goods under the Hanoi Plan of Action on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to the COVID-19 Pandemic, and the adoption of the ASEAN Comprehensive Recovery Framework (ACRF) by the ASEAN Leaders during the 37th Summit and Related Summits.

We welcome the MOU which provides a clear and strong signal of ASEAN's serious commitment to keep the flow of essential goods unimpeded and supply chain connectivity working across the region to help mitigate resurgence of the pandemic that continue to destroy lives and livelihoods.

The private sector recognizes the many challenges faced by ASEAN Member States (AMS) in its resolve to be proactive in multiple fronts to address trade distorting NTMs and consequent Non-Tariff Barriers that hamper the delivery of the targeted doubling of intra-ASEAN trade by 2025 and reduce the cost of trade by 10% by 2020 even prior the pandemic.



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We are therefore pleased to note that this measure is very much aligned with the private sector's effort and shared commitment to fully support the Hanoi Plan of Action and the recently launched ACRF. The ASEAN BAC and JBC for their part had presented, last June to the ASEAN Leaders, a package of 225 actionable and concrete recommendations entitled Pathway to Recovery and Hope for ASEAN. It constitutes implementable health and economic measures in the immediate term to build trust and confidence as economies reopen and foundational measures to ensure inclusive and sustainable economic growth for ASEAN.

This MOU therefore, while non-binding in nature and likewise provides limited exceptions to the issuance of new NTMs under specific criteria, is still viewed as a concrete and positive step in the right direction. Despite the reality of execution challenges, we are happy to note of the comprehensive structure for the roll out and monitoring protocols of the MOU to meet the basic objectives of the MOU. ASEAN BAC and the JBC therefore stand ready to provide feedback from the ground on the effectiveness of the MOU and inputs to ensure a more comprehensive and justifiable list of essential goods, among other assistance, to ensure the success of this MOU.

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